

IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF MICHIGAN

MAGNA ELECTRONICS INC.)	
)	
Plaintiff,)	
)	Civil Action No. 1:12-cv-00654
v.)	
)	Honorable Paul L. Maloney
TRW AUTOMOTIVE HOLDINGS CORP.;)	
TRW AUTOMOTIVE US LLC; and)	REDACTED PUBLIC VERSION
TRW VEHICLE SAFETY SYSTEMS INC.))	
)	
Defendants.)	
_____)	

MAGNA’S ANSWER TO AMENDED COUNTERCLAIMS

Plaintiff/Counter-Defendant Magna Electronics Inc. (“Magna”) as and for its answer to the Amended Counterclaims filed by Defendants/Counter-Plaintiffs TRW Automotive Holdings Corp. (“TRW Holdings”); TRW Automotive US LLC (“TRW US”); and TRW Vehicle Safety Systems Inc. (“TRW VSSI”) (collectively, “TRW Defendants”) alleges as follows with the paragraphs of the counterclaims repeated below followed by the corresponding response.

Nature and Basis of Action

2. This is an action arising under the Declaratory Judgment Act, 28 U.S.C. §§ 2201 and 2202 and the United States Patent Act, 35 U.S.C. § 1 et seq. TRW Defendants request declarations that: (i) they do not infringe any valid, enforceable claim of the U.S. Patents Nos. 6,097,023, 7,423,248, 7,459,664, 7,339,149, 7,344,261, 7,655,894, 7,994,462, 8,203,440, 8,222,588, 8,314,689, and 8,324,552 (“the patents-in-suit”); and (ii) the patents-in-suit are invalid.

RESPONSE: Paragraph 2 of the counterclaims sets forth legal contentions to which no response is required. Notwithstanding this response, to the extent that a further response is required,

Magna admits that TRW Defendants have alleged actions arising under the Declaratory Judgment Act and United States Patent Act, but deny that TRW Defendants are entitled to the relief requested in the counterclaims.

The Parties, Jurisdiction, and Venue

3. Magna alleges that it is a corporation organized and existing under the laws of the State of Delaware, registered to do business in the State of Michigan with a registered office of 601 Abbott Road, East Lansing, MI 48823, a place of business at 2050 Auburn Road, Auburn Hills, Michigan 48326, and is doing business in this District.

RESPONSE: Admitted.

4. TRW US is a Delaware corporation with a facility at 902 Lyons Road, Portland, MI 48875.

RESPONSE: Magna responds that upon information and belief the allegations of this paragraph are true, but Magna lacks knowledge or information sufficient to determine that the allegations of this paragraph are in fact true.

5. TRW Holdings is a Delaware corporation registered to do business in Michigan.

RESPONSE: Magna responds that upon information and belief the allegations of this paragraph are true, but Magna lacks knowledge or information sufficient to determine that the allegations of this paragraph are in fact true.

6. TRW VSSI is a Delaware corporation registered to do business in Michigan, with a facility in Washington, Michigan.

RESPONSE: Magna responds that upon information and belief the allegations of this paragraph are true, but Magna lacks knowledge or information sufficient to determine that the allegations of this paragraph are in fact true.

7. This Court has jurisdiction over the subject matter of this action pursuant to 28 U.S.C. §§ 1331 and 1338, and the Declaratory Judgment Act, 28 U.S.C. §§ 2201 and 2202.

RESPONSE: Admitted.

8. This Court has personal jurisdiction over Magna by virtue of at least Magna having voluntarily subjected itself to such jurisdiction by bringing its claims in this action. Magna is also a resident of the State of Michigan located in the Western District of Michigan, with substantial and ongoing business activity occurring in that state and district.

RESPONSE: Admitted.

9. Venue is proper in this judicial district pursuant to 28 U.S.C. § 1391(b) and 1400.

RESPONSE: Admitted.

Factual Allegations

10. Magna alleges that it is the owner, by valid assignment, of all right, title, and interest in and to the patents-in-suit, including the right to seek remedies and relief for past infringement thereof.

RESPONSE: Admitted.

11. Magna has alleged each of the TRW Defendants infringe each and every one of the patents-in-suit.

RESPONSE: Admitted.

12. None of the TRW Defendants infringe, nor have they infringed, any valid, enforceable claim of the patents-in-suit.

RESPONSE: Denied.

13. [REDACTED]

[REDACTED]

RESPONSE: Denied.

14. Upon information and belief, all claims of the patents-in-suit are invalid for failure to meet the requirements of the Patent Act, 35 U.S.C. § 1 et seq., including 35 U.S.C. §§ 102, 103, and/or 112.

RESPONSE: Denied.

Counterclaim I: Declaration of Non-Infringement

15. TRW Defendants re-allege and incorporates their allegations of paragraphs 1 – 13 (sic), inclusive, of its Counterclaims as if set forth herein in full.

RESPONSE: Magna realleges and incorporates their allegations in response to paragraphs 1 – 14, inclusive, of the counterclaims as if set forth herein in full.

16. There is an actual and justiciable controversy between the parties arising under the Patent Act, 35 U.S.C. § 1 et seq. concerning the TRW Defendants' non-infringement of the claims of the patents-in-suit.

RESPONSE: Admitted that there is an actual justiciable controversy between the parties arising under the Patent Act, 35 U.S.C. § 1 et seq. To the extent that this paragraph includes an allegation that defendants are not infringing or entitled to a declaration of non-infringement of the claims of the patents-in-suit, it is denied.

17. The TRW Defendants have not infringed and do not infringe any valid, enforceable claim of the patents-in-suit. [REDACTED]

[REDACTED]

[REDACTED]

RESPONSE: Denied.

18. The TRW Defendants are entitled to a judicial declaration that they have not infringed and do not infringe any valid, enforceable claim of the patents-in-suit.

RESPONSE: Denied.

Counterclaim II: Declaration of Invalidity

19. The TRW Defendants re-allege and incorporates is (sic) allegations of paragraphs 1 – 10 (sic), inclusive, of its Counterclaims as if set forth herein in full.

RESPONSE: Magna realleges and incorporates its responses to the allegations of paragraphs 1 – 18, inclusive, of the counterclaims as if set forth herein in full.

20. The patents-in-suit are invalid for failure to meet the requirements of the Patent Act, 35 U.S.C. § 1 et seq., including 35 U.S.C. §§ 102, 103 and/or 112.

RESPONSE: Denied.

21. The TRW Defendants are entitled to a judicial declaration and order that the patent-in-suit are invalid.

RESPONSE: Denied.

AFFIRMATIVE DEFENSES

1. The Counterclaims fail to state a claim upon which relief may be granted.
2. The TRW Defendants infringe, contributorily infringe, and induce infringement of each of the patents-in-suit.
3. Each of the patents-in-suit is presumptively valid, and each of the patents-in-suit is not invalid and not unenforceable under the Patent Laws of the United States.

PRAYER FOR RELIEF

WHEREFORE, Magna prays for judgment in its favor and against Defendants/Counter-plaintiffs TRW Defendants providing that:

- A. The Court dismiss the TRW Defendants' counterclaims in their entirety with prejudice and that the Defendants/Counter-Plaintiffs TRW Defendants take nothing therefrom;
- B. The Court enter judgment in favor of Magna and provide the relief prayed for in Magna's Second Amended Complaint, including without limitation permanently enjoining the

TRW Defendants, their officers, agents, servants, employees, attorneys and all those person in privity or in active concert or participation with them as sought in the Second Amended Complaint, ordering an accounting, awarding damages adequate to compensate Magna as prayed for in the Second Amended Complaint, increasing the damages up to three times the amount and awarding prejudgment interest and costs all as requested in the Second Amended Complaint;

C. Finding this to be an exceptional case and awarding reasonable attorneys fees to Magna;

D. Such other and further relief as is necessary and appropriate.

Dated: November 21, 2013

/s/ Terence J. Linn

Terence J. Linn (P-33449)

Karl Ondersma (P-68028)

Gardner, Linn, Burkhart & Flory, LLP

2851 Charlevoix Drive SE, Suite 207

Grand Rapids, Michigan 49546

(616) 975-5500

linn@glbf.com

ondersma@glbf.com

Attorneys for Plaintiff Magna Electronics Inc.